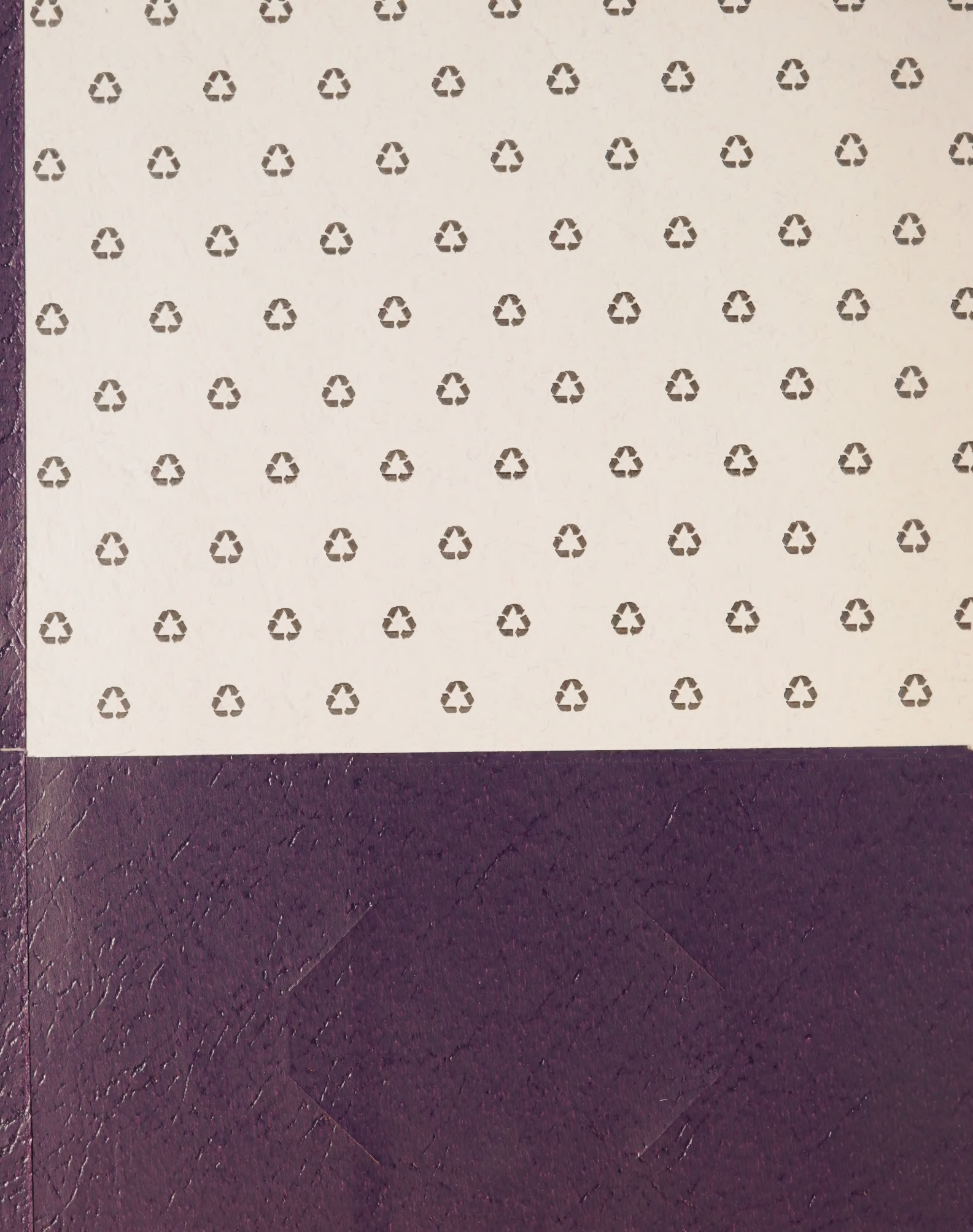




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A COMPARATIVE REVIEW OF INNOVATIVE WORKING
TIME ARRANGEMENTS IN ONTARIO

Number 15



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Ontario





A COMPARATIVE REVIEW OF INNOVATIVE WORKING
TIME ARRANGEMENTS IN ONTARIO

Number 15

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RESEARCH BRANCH

ONTARIO MINISTRY OF LABOUR

OCTOBER 1975

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Minister

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INTRODUCTION

This paper provides a comparative review of the extent and nature of current and recent experience in Ontario with three types of innovative working time arrangements - compressed, flexible and staggered hours schedules - that have gained popularity over the last few years. Although no single reason appears to be responsible for the recent interest in these arrangements, a number of identifiable factors have contributed to their occurrence. These factors include:

- the continuing growth of population and employment in and around urban areas has created commuting and peak rush hour traffic difficulties. These problems have encouraged the promotion of schedules which spread out travel periods to and from work;
- worker attitudes towards the job have undergone changes, with demands for more self-fulfillment and fewer rigidities, such as in working hours;
- advances in technology and modern structures of business operations have changed the nature of work done, making it more feasible to introduce new forms of work schedules. Jobs are often characterized by more fluctuations in day-to-day workloads and less interdependence than in the past. Work in production environments has become less physically demanding, resulting in employees giving consideration to compressed work schedules with longer working days;
- in recent years, there have been no major reductions in the length of the work week. To some extent, employee interest has shifted to attaining a more efficient arrangement of working and non-working hours. Such factors as the increasing numbers of working mothers and frustration with inconvenient work schedules have contributed to searches for innovative working time arrangements;
- a rising standard of living has allowed people to participate in a wide variety of leisure activities, many of which require larger blocks of time to get full enjoyment. Compressed and some variations of flexible schedules are conducive to meeting such needs;
- introducing a new work schedules is one of the most visible means available to management in attempting to increase workers motivation. Employers have begun to use the new arrangements in dealing

with absenteeism, turnover, recruitment, morale, overtime and other labour utilization problems;

- searches for direct ways to stimulate productivity increases have led some employers to innovative work schedules. The schedules have been associated with more efficient production scheduling and utilization of capital resources.

Since 1972, the Research Branch of the Ministry of Labour has published four reports concerning recent innovations in work time scheduling. In providing this material, an attempt has been made to satisfy the many requests for information received on the topic and to contribute to public understanding of the advantages and disadvantages of these innovations.

It should be emphasized that there are many approaches or changes, other than the ones examined in this report, which attempt to increase productivity and improve employee motivation and job satisfaction. Some of these "innovative work arrangements" have been described in the Employment Information Series.¹

Following these introductory remarks, the paper is divided into five sections. The first briefly outlines operational definitions for each of the three schedules being reviewed and indicates the scope and limitations of the data. The second section compares and contrasts the existing schedules in terms of several important characteristics of active compressed and flexible arrangements. The third one deals with discontinued compressed and flexible schedules and discusses the reasons given for their discontinuance. The fourth briefly reviews both active and discontinued staggered hours arrangements. The final section provides some general observations.

DEFINITIONS AND SCOPE OF STUDY

1.1 Definitions of the Arrangements

This section provides operational definitions used in identifying the arrangements covered in this study. These definitions indicate the distinguishing features of each type of

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1. See for example: Innovative Work Arrangements: A Case Study In Job Enrichment, Miracle Food Mart, Personnel Services, Research Branch, Ontario Ministry of Labour (Employment Information Series #14) June 1975.

schedule.

The Compressed Work Schedule

For the purpose of this survey, a compressed work schedule is defined as any re-arrangement of working time that both reduces the number of days and increases the number of hours worked per day by an employee in a given work cycle. The most common and simplest example is that of a 4-day, 40-hour week (10 hours per day) replacing a conventional 5-day, 40-hour week (8 hours per day). However, employees in firms operating on compressed work schedules sometimes have a pattern of working time based on something other than the traditional 7-day cycle. An illustration of this is a 3-day on, 3-day off schedule having twenty-one 12-hour shifts spread over 6 weeks.

The Flexible Work Schedule

A flexible work schedule is an arrangement which allows employees, within certain limits, to select starting and finishing times each day. Some schedules permit employees to balance longer working days against shorter working days or against days off so that total contracted hours are accounted for at the end of a specified period of time. This type of arrangement is referred to as "flexible working hours".

Under a more restrictive variation of the flexible work schedule, the employee is free to start work anytime during a flexible band period each day but must work the full contracted hours every day. This type of schedule is referred to as "flexible starting times" in the paper.

Flexible work schedules are based on some or all of the following components:

Daily Bandwidth - the time between the earliest permitted start of work and the latest permitted finish (e.g. 7.00 a.m. to 7.00 p.m.);

Daily Core Period - the middle part of the day, excluding the lunch break, when all employees must be at work (e.g. 10.00 a.m. to 3.00 p.m.);

Flexible Band Time - the periods at the beginning and end of each work day during which employees are free to choose when they will arrive and leave (e.g. 7.00 a.m. to 10.00 a.m. and 3.00 p.m. to 7.00 p.m.);

Lunch Break - the permitted length of the lunch period and when it can be taken (e.g. minimum of one-half hour any time between 11.30 a.m. and 2.00 p.m.);

Accounting Period - the period at the end of which an accounting is made of hours worked against total contracted hours during the period (e.g. up to one month for "flexible working hours" but only one day for "flexible starting times");

Carryover - the maximum number of excess or deficit hours worked, measured against contracted hours of work, that an employee may carry forward from the end of one accounting period into the next under a "flexible working hours" arrangement (e.g. plus or minus 10 hours per monthly accounting period).

Days off Policy - defines the way in which time off in blocks may be taken under a "flexible working hours" schedule (e.g. two one-half days or one full day per accounting period).

Staggered Hours

The term "staggered hours" refers to an arrangement which provides for a spreading out, or staggering, of the starting and finishing times of the fixed-length work day, so that not all employees arrive at or leave work at the same time. Under this scheme, employees may initially be free to select their own starting and finishing times. Once established, however, these times can usually be changed only with supervisory approval.

The primary difference between staggered hours and flexible starting times is that under the latter system employees are free to choose their starting times on a daily basis, whereas under the former arrangement the starting times are fixed.

1.2 Scope and Limitations of the Data

Information presented on compressed and flexible work schedules was provided directly by employer representatives in response to a telephone survey carried out in November and December 1974. In some instances, respondents were uncertain about the answers to questions asked and answered "to the best of their knowledge" or were unable to provide usable responses. In certain sections, particularly in the one dealing with discontinued schedules, information obtained through previous surveys is also used.¹

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1. See: The Compressed Work Week in Ontario, Research Branch, Ontario Ministry of Labour, September 1972; and Selected Characteristics of Compressed Work Schedules in Ontario, Research Branch, Ontario Ministry of Labour, (Employment Information Series #3) July 1973.

It should be noted that the survey was based on responses from employers and not employees.¹ This point should be kept in mind in interpreting the information provided by employers on advantages and disadvantages of the revised working time arrangements to employees.

It must be emphasized that this study does not cover all establishments where the three type of working time arrangements have been introduced. The most comprehensive coverage pertains to compressed work schedules, since employers wishing to implement such an arrangement must obtain permission from the Employment Standards Branch of the Ontario Ministry of Labour. However, the study does not account for all establishments that are known to have converted to compressed work schedules, since some firms received permits either prior to the first survey, or since the time of the most recent survey (December, 1974). For example, during the 9 month period January 1, 1975 to August 31, 1975, 53 new permits had been issued to employers intending to implement compressed work schedules.

No similar permit system is used to monitor flexible and staggered hours schedules. As a result, records for these arrangements are less complete than for compressed schedules. Identification of firms having flexible work schedules was obtained from the distributors of time recording equipment used with the schemes, from newspaper articles, and various other sources.

The information presented on staggered hours was supplied by the staff of the Toronto Variable Work Hours Project and the Systems Research and Development Branch of the Ontario Ministry of Transportation and Communication.² Because the information on staggered hours was obtained in a different manner than that for compressed and flexible work schedules, and because it is limited to the experience of establishments in Metropolitan Toronto, it is discussed in a separate section.

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1. An earlier publication presents information based on responses from employees regarding advantages and disadvantages on compressed schedules. See: Employee Attitudes Towards Compressed Work Schedules In Ontario: A Case Study of Ten Firms, Research Branch, Ontario Ministry of Labour (Employment Information Series #6) August 1974.
 2. See: Variable Work Hours in Downtown Toronto, (by) F. Mills, Toronto Variable Work Hours Project, January 1975; and Staggered Hours Demonstration, Final Evaluation Report, (by) A. M. Greenberg (and) D. W. Wright, Systems Research and Development Branch, The Ontario Ministry of Transportation and Communication, October 1974.

ACTIVE COMPRESSED AND FLEXIBLE SCHEDULES

At the time of the survey, twice as many employees were working on flexible schedules as on compressed schedules, even though the number of establishments with the latter arrangement was greater. As Table 1 indicates, more than 21,000 employees worked on flexible arrangements in 104 establishments, while fewer than 11,000 employees, in 175 establishments, worked on compressed schedules.

TABLE 1

Number of Establishments, Schedules and Employees
On Compressed and Flexible Work Arrangements,
Ontario, December 1974

	Number On	
	Compressed Work Schedules	Flexible Work Schedules
Number of Establishments	175	104
Number of Schedules	194	106
Number of Employees on the Schedules	10,600	21,400

Since some firms have different variations of the arrangements applying to different groups of employees the number of schedules is greater than the number of establishments under both arrangements.

The remainder of this chapter compares active flexible and compressed schedules with respect to size of establishment, industry division, office and non-office category, continuous and non-continuous operations, union and non-union coverage, type of schedule and the advantages and disadvantages of the arrangements.

2.1 Size of Establishment

Table 2 shows the distribution of establishments and employees on the schedules by employment size category of the establishments. While one-half of establishments with compressed schedules were in two size categories (less than 50 and 200 to 499 employees), flexible arrangements were more evenly

distributed with just under a quarter falling into the 200-499 employment size category. By far the largest group of employees on either arrangement were the 10,850 persons working on flexible schedules in establishments with 1,000 or more employees.

Establishments with flexible work schedules generally had a larger proportion of their total employees on these schedules than did firms with compressed arrangements. Almost one-half of the total employees working in establishments with flexible arrangements participated in the schemes, while only 12 per cent of the employees working in firms with compressed work schedules had this arrangement. Generally, the proportion of employees working on either arrangement decreased as the establishment size increased.

TABLE 2

Distribution of Employees and Establishments with Compressed and Flexible Schedules by the Employment Size Category of the Establishments, Ontario, December 1974

Employment Size Category	Compressed Work Schedule			Flexible Work Schedule		
	No. of Estab- lish- ments	Employees on Schedules		No. of Estab- lish- ments	Employees on Schedules	
		Number	As % of Employ- ees in Estab- lish- ments		Number	As % of Employ- ees in Estab- lish- ments
Less than 50	42	540	53	14	380	82
50 - 99	21	650	44	13	640	71
100 - 199	22	1,340	43	18	1,470	60
200 - 499	47	3,320	24	25	4,090	61
500 - 999	15	1,550	15	14	3,970	40
1,000 and over	28	3,200	6	20	10,850	45
TOTALS	175	10,600	12	104	21,400	48

The data suggest that numbers of establishments, or schedules, do not in themselves give a very accurate account of the extent to which either compressed or flexible work schedules have been adopted. Only 11 of the establishments with compressed schedules, and 33 with flexible schedules, had all of their employees working on the arrangements. Forty establishments with compressed arrangements had all non-office personnel on the schedules, while the remainder limited the schedule to employees with particular job responsibilities. Forty-two establishments with flexible arrangements involved all but senior management in the schemes, while the others confined the schedule to specialized areas.

2.2 Industry Division

Table 3 provides a distribution of schedules and employees on compressed and flexible work arrangements by industry division. Over one-half of the employees on compressed schedules worked in manufacturing and nearly another one-third worked in services. By comparison, more than one-third of the employees on flexible schedules worked in the finance and insurance sector, while almost one-half were evenly split between public administration and manufacturing.

TABLE 3

Distribution of Schedules and Employees on Compressed
and Flexible Work Schedules by Industry Division,
Ontario, December 1974

Industry Division	Compressed Work Schedules		Flexible Work Schedules	
	% of Total Schedules	% of Total Employees on Schedules	% of Total Schedules	% of Total Employees on Schedules
Manufacturing	52	57	22	23
Services	30	29	12	9
Trade	4	3	7	5
Finance and Insurance	5	2	35	37
Public Administration	7	8	22	24
Other	2	1	2	2
TOTAL:				
Percentage	100	100	100	100
Number	194	10,600	106	21,400

2.3 Office - Non-Office Category

As illustrated in Table 4, more than 75 per cent of the employees on compressed schedules worked in non-office occupations, while 90 per cent of those on flexible schedules worked in office occupations. It is evident that the "machine-paced" time requirements commonly associated with many non-office jobs make it more difficult to apply flexible arrangements. However, flexible arrangements have been developed for such jobs in several European countries.*

TABLE 4

Distribution of Schedules and Employees on Compressed and Flexible Work Schedules by Office and Non-Office Category, Ontario, December 1974

Category	Compressed Work Schedules		Flexible Work Schedules	
	% of Total Schedules	% of Total Employees on Schedules	% of Total Schedules	% of Total Employees on Schedules
Office	16	7	86	90
Non-Office	64	75	4	4
Both	20	18	10	6
TOTAL:				
Percentage	100	100	100	100
Number	194	10,600	106	21,400

A number of occupations where compressed schedules were found are common to several industries. These include such non-office occupations as maintenance, first aid, and security; as well as office jobs in computer-related functions. Some other occupations were common to particular industry divisions. For example, in manufacturing the majority of employees on compressed schedules were production workers involved in such operations as assembly, moulding, extrusion, printing and chemical and related process-monitoring occupations. Nursing represented the largest group in the service sector.

There were also a number of occupations where flexible schedules were found which were common to several industries. These included managerial, administrative, service (e.g. engineering, systems), and clerical occupations. It was interesting to find that a significant number of employees involved in

*Elbing, A.O., et. al., "Flexible working hours: it's about time", in Harvard Business Review, January-February 1974, p. 18.

data entry and data processing were also on flexible schedules. In two instances, these employees had converted to their flexible arrangements from compressed schedules. In a half-dozen manufacturing firms, where both the office and production areas had previously been on compressed schedules, the office converted to some form of flexible arrangement while the plant remained on the compressed schedule.

2.4 Continuous and Non-Continuous Operations

As illustrated in Table 5, over 40 per cent of the active compressed schedules and employees working on these schedules were in departments that operated on a continuous basis. For the purposes of this report a continuous operation is defined as one operating 24 hours a day, 5 or more days a week (e.g., hospitals). Ninety per cent of the establishments with "continuous operation" compressed schedules operated continuously 24 hours a day, 7 days a week. As might be expected, very few of the employees on flexible work schedules worked in departments operating on a continuous basis; those that did worked in computer-related occupations.

TABLE 5

Distribution of Schedules and Employees on Compressed and Flexible Work Schedules Involved in Continuous and Non-Continuous Operations, Ontario, December 1974

Type of Operation	Compressed Work Schedules		Flexible Work Schedules	
	% of Total Schedules	% of Total Employees on Schedules	% of Total Schedules	% of Total Employees on Schedules
Continuous Operations	42	44	2	1
Non-Continuous Operations	58	56	98	99
TOTAL:				
Percentage	100	100	100	100
Number	194	10,600	106	21,400

2.5 Union - Non-Union Coverage

Among the employees on compressed schedules, approximately 2,000 or 20 per cent, were members of unions. About 4,000 employees on flexible schedules (19 per cent) were members of unions, the majority of whom were in public administration.

2.6 Type of Schedule

Compressed Work Schedules

Table 6 shows the distribution of schedules and employees on compressed arrangements by type of schedule. Forty-five per cent of the 10,600 employees on compressed schedules worked a 4-day week, and well over one-half of these worked a 10-hour day. The 4-day, 40-hour week accounted for almost one-third of the total schedules.

A variety of schedules, involving 44 per cent of the employees, were based on 12-hour shift arrangements. Over 2,000 employees, involving 13 per cent of the schedules, had a 7-shift 80-hour scheme over a 2-week period. This system was most common in hospitals with nurses working six 12-hour shifts and one 8-hour shift over the two weeks. In 23 schedules, covering 10 per cent of the workers, employees worked three 12-hour days and had the next three days off. The category "other 12-hour shift schedules" pertains to more complex 12-hour shift arrangements, most of which replaced continuous 8-hour shift schedules.

The "other compressed schedules" group includes such working patterns as 3 days, less than 36 hours per week; 4½-day weeks; and several complicated schemes having work days of less than 12 hours.

Flexible Work Schedules

All of the firms surveyed indicated that the normal work week under their flexible work schedule consisted of 5 days. In 9 of the 104 establishments the employees' normal or average work week consisted of 40 hours; in all the others the employees were normally required to work less than 40 hours per week.

Table 7 distributes flexible work schedules by the various components of the arrangements. The right-hand section identifies the two basic types of systems - flexible starting times and flexible working hours. The 40 schedules with one day accounting periods provided employees with flexible starting times. They accounted for 38 per cent of the flexible schedules and 56 per cent of the 21,400 employees working flexible schedules.

TABLE 6

Distribution of Schedules and Employees on Compressed
Work Arrangements by Type of Work Schedule,
Ontario, December 1974

Type of Work Schedule	Schedules		Employees on Compressed Work Schedules	
	Number	Per Cent	Number	Per Cent
4 days, 40 hours per week	60	31.	2,950	28
4 days, more than 40 hours per week	4	2	100	1
4 days, less than 40 hours per week	26	13	1,650	16
3 days, 36 hours per week, 4 days off	10	6	250	2
3 days, 36 hours, 3 days off	23	12	1,100	10
6 shifts, 72 hours, plus 1 shift 8 hours, in 2 weeks	26	13	2,100	20
Other 12-hour shift schedules	27	14	1,230	12
Other compressed schedules	18	9	1,220	11
Totals	194	100.0	10,600	100.0

In terms of all active flexible schedules, the bandwidth, or period during which employees may be at work, varied considerably, but normally fell within the range of 7:00 a.m. to 7:00 p.m. As indicated, 94 per cent of the schedules had a bandwidth exceeding 9 hours per day.

The core times, or period during which all employees

Distribution of Flexible Work Schedules by Components of
the Schedules, Ontario, December 1974

Components of Flexible Work Schedules	Active Schedules		Components of Flexible Work Schedules		Active Schedules	
	Number	Per Cent			Number	Per Cent
Bandwidth (total hours):	106	100 %	Accounting Period, Carryover and Days off:		106	100 %
8 to 9 hours	6	6	i) One Day Accounting Period* :		40	38
9½ to 10 hours	42	40	Carryover: none		40	
10½ to 11 hours	32	30	Schedules Allowing Days off:		0	
11½ to 12 hours	16	15				
12½ plus hours	10	9	ii) One Week Accounting Period:		11	10
			Carryover: none		6	
			±3 to ±5 hours		2	
			±10 hours		3	
			Schedules Allowing Day off:		4	
Core Times (total hours):	106	100				
no core times	6	5	iii) Two Week Accounting Period:		9	8
5 to 5½ hours	51	48	Carryover: none		3	
5 3/4 to 6 hours	26	25	±3 to ±5 hours		3	
6½ to 6¾ hours	19	18	± 10 hours		3	
6 3/4 to 7 hours	4	4	Schedules Allowing Days off:		2	
Flexible Band (total hours):	106	100	iv) Four Week Accounting Period:		35	34
2 to 3 3/4 hours	19	18	Carryover: ±5 to ±7 hours		4	
4 to 4 3/4 hours	39	37	±10 hours		19	
5 to 5 3/4 hours	16	15	±15 to ±21 hours		5	
6 to 6 3/4 hours	18	17	other**		7	
7 to 9 hours	8	8	Schedules Allowing Days off:		29	
unlimited	6	5				
			v) Calendar Month Accounting Period:		11	10
Lunch Breaks:	106	100	Carryover: ±5 to ±7 hours		2	
fixed lunch breaks	15	14	±10 hours		5	
fixed length, flexible time	20	19	±15 to ±21 hours		2	
flexible length, flexible time	71	67	other		2	
			Schedules Allowing Days off:		7	

* flexible work schedules with one day accounting periods are referred to here as "flexible starting times" arrangements. Those in ii) through v) are "flexible working hours" arrangements.

** includes unequal carryover (e.g., +10, -5 hours) and those instances where no debit hours were permitted. Where the carryover was unequal the credit hours allowed always exceeded the debit hours.

must be at work also varied, but normally began after 9:00 a.m. and ended before 4:00 p.m. Almost 80 per cent of the schedules had core times which required employees to be at work 6 or less hours per day. In a few instances, the core period was split by a fixed lunch period for all employees.

With respect to the flexible band, or that period (at the beginning and end of the day) during which employees are free to choose their starting and finishing times, 82 per cent of the schedules had a total flexible band period of 4 or more hours per day. This period was normally split equally between the morning and afternoon; however, in a few instances the afternoon flexible band was longer.

The information collected also indicates that 67 per cent of the active schedules provided for lunch breaks that were flexible with respect to both when they were taken and how much time was taken. However, limitations were often set in terms of minimum or maximum length of the lunch period or the daily time period during which anyone could be absent for lunch. Less than 15 per cent of the schedules had no flexibility in the lunch break.

As was indicated previously, accounting periods for schedules providing flexible starting times were limited to one day. Accounting periods for arrangements based on flexible working hours ranged from one week to one calendar month, with a 4-week period being most common (35 schedules).

The table also shows the relationship between the length of the accounting period, the carryover provision (maximum number of surplus or deficit hours that may be carried forward to the next accounting period), and whether or not employees were allowed to take days off under the arrangement. The latter two provisions are restricted to schedules based on flexible working hours since those providing flexible starting times only (i.e. one-day accounting period) do not permit carryover or days off.

The number of carryover hours generally became more liberal as the length of the accounting period increased. While at least a third of the schedules with one or two-week accounting periods had no carryover hours, all of the schedules having longer accounting periods allowed carryover. Plus or minus 10 hours was the most common provision. Several schedules with long accounting periods permitted carryover of 15 or more hours.

The days-off provision also became more frequent as the accounting period lengthened. Over three-quarters of the schedules with four-week and monthly periods had allowance for days off but less than one-third of the schedules in the one and two-week categories had such provisions. In all, almost two-

thirds (42 of 66) of the schedules classified as flexible working hours permitted days off. The most common provision enabled employees to take one full day or two one-half days off per accounting period with supervisory permission (normally on the condition that work responsibilities do not suffer because of the absence).

2.7 Advantages and Disadvantages

Each employer surveyed was asked to identify the most significant advantages and disadvantages of the compressed or flexible work schedule. Usable responses were obtained from 150 of the 175 establishments with compressed work schedules and 95 of the 104 establishments with flexible work schedules. Some employers were uncertain about advantages and/or disadvantages, often because of their limited experience with the schedules. On the other hand, a number of respondents gave more than one advantage or disadvantage.

It should be remembered that the tabulations are based on the most significant, and not necessarily all, advantages and disadvantages of the schedules as identified by employers.

Advantages

Table 8 shows the responses for the most significant advantages of compressed and flexible work schedules. While a few of the advantages cited were specific to only one of the arrangements, there were many similarities between the two lists. The advantage most frequently reported for both the compressed and flexible schedules was "improved employee morale". Forty-five per cent of the establishments with flexible schedules and thirty-five per cent of those with compressed arrangements found this to be the most significant advantage. In order of frequency, "greater continuity in the work process", "increased productivity" and "reduced absenteeism" were the next three most frequently reported advantages of compressed work schedules. In comparison, "reduced absenteeism", "increased productivity" and "improved scheduling flexibility" were the next three most frequently reported advantages of flexible work schedules. In both instances, however, these advantages were reported by fewer than 20 per cent of the establishments.

Disadvantages

As might be expected, the firms with active schedules reported considerably fewer disadvantages than advantages. While only a small number of establishments under either type of arrangement cited no significant advantages, 63 per cent of the establishments with compressed and 69 per cent with flexible schedules reported no significant disadvantages (Tables 9 and 10).

TABLE 8

Distribution of the Most Significant Advantages of Compressed and Flexible Work Schedules, as Reported by Employers, Ontario, December 1974				
Most Significant Advantage	Experience By Firms on			
	Compressed Work Schedules		Flexible Work Schedules	
	Number	Per Cent	Number	Per Cent
	(N=150)		(N=95)	
Improved employee morale	52	35%	43	45%
Greater continuity in work process	27	18	-	-
Increased productivity	20	13	14	15
Reduced absenteeism	18	12	17	18
Improved scheduling flexibility	12	8	12	13
Reduced overtime	11	7	9	10
Better equipment utilization	11	7	-	-
Improved recruiting potential	11	7	7	7
Longer production runs	6	4	-	-
Improved customer service	6	4	10	11
Decreased turnover	5	3	5	5
Lateness no longer a problem	-	-	8	8
Other	17	11	5	5
No significant advantage(s)	12	8	9	10
Too early to comment	18	12	9	10

Although it was only cited by 17 establishments, "employee fatigue" was the most frequently reported disadvantage of compressed work schedules. As Table 9 indicates the next three most frequently reported disadvantages were "covering absenteeism", "scheduling problems" and "increased absenteeism".

Unlike the advantages, there is little similarity between the two schedules with respect to the "most significant"

TABLE 9

Distribution of the Most Significant Disadvantages of Compressed Work Schedules, as Reported by Employers, Ontario, December 1974

Most Significant Disadvantage	Compressed Work Schedules (N=150)	
	Number	Per Cent
Employee fatigue	17	11%
Covering absenteeism	11	7
Scheduling problems	8	5
Increased absenteeism	6	4
Getting overtime	5	3
Commuting problems	3	2
Problems for females and older workers	3	2
Other	5	3
No significant disadvantage	95	63
Too early to comment	18	12

disadvantages. Table 10 gives the most significant disadvantages of flexible work schedules. The most frequently reported disadvantage, cited by 16 per cent of the establishments, fell under the category "staff not present when needed". However, about one-half of these establishments reported this to be a problem for only a short period of time after implementation of the new arrangements. The next three most frequently cited disadvantages were "problems with supervision", "problems with communication" and "payroll and other administrative problems".

Despite the disadvantages reported, virtually all of the employers with active schedules felt that the advantages of the arrangements outweighed the disadvantages.

DISCONTINUED SCHEDULES

There are a number of instances where compressed or flexible schedules have been tried and then discontinued. The purpose of this section is to review the reasons given for dropping the arrangements.

TABLE 10

Distribution of the Most Significant Disadvantages of Flexible Work Schedules, as Reported by Employers, Ontario, December 1974

Most Significant Disadvantage	Flexible Work Schedules (N=95) Number Per Cent	
Staff not present when needed	15	16%
Problems with supervision	8	8
Problems with communications	6	7
Payroll and administrative problems	5	5
Cost of time-recording equipment	3	3
Scheduling problems	3	3
Problems with customer service	3	3
No significant disadvantage	66	69
Too early to comment	9	9

The data used were obtained from this and previous surveys of establishments known to have implemented compressed and flexible work schedules. In most instances, representatives of the employer were asked to give the "major reason" for the discontinuance of their schedule.

3.1 Compressed Work Schedules

Up to the end of 1974, 85 of the 260 establishments having implemented compressed work schedules reported that they had discontinued their schedules. Together these establishments had 2,200 employees working on their compressed schedules before they were dropped. Over 60 per cent of these establishments were in manufacturing.

Table 11 identifies the major reasons given by employers for discontinuing compressed schedules. Although a wide range of reasons were reported, they have been grouped into common or similar categories. Problems affecting the employer, the employees, and those attributable to other or special circumstances shared almost equally as the main causes for dropping

TABLE 11

Distribution of Establishments That Adopted but Subsequently
Dropped a Compressed Work Schedule by Major Reasons for
Dropping the Schedule, Ontario, December 1974

Major Reason for Dropping the Schedule	Establishments	
	Number	Per cent
EMPLOYER PROBLEMS: (Total)	24	28
Company needed 5-day coverage	6	7
Decreased productivity	5	6
Payroll and administrative problems	4	5
Increased absenteeism	3	3
Other reasons	6	7
EMPLOYEE PROBLEMS: (Total)	23	27
Hours too long	14	17
Commuting problems	3	3
Other reasons	6	7
MUTUAL PROBLEMS: (Total)	14	16
Hours too long	7	8
Scheduling problems	4	5
Other manpower problems	3	3
OTHER CIRCUMSTANCES: (Total)	24	28
Schedule used for special circumstances only	14	16
Decline in demand for product(s)	5	6
Went to flexible work schedule	5	6
TOTAL	85	99

the arrangements. In addition, mutual problems affecting both the employer and employees were reported in 16 per cent of the establishments.

The most frequently cited specific reason for discontinuance was "hours too long" and was usually associated with employee tiredness or fatigue. It arose as both an employee-related problem and a mutual one (where the longer hours worked by employees also had adverse effects on the employer). "Hours too long" was identified as the major reason for dropping the schedule in one-quarter of the establishments. The finding is particularly interesting since fatigue was the disadvantage most often reported by establishments with active compressed schedules.

The second most common reason identified was "schedule used for special circumstances only" and applied to 16 per cent of the establishments dropping the schedules. It pertains to those instances where the employer expected to use the compressed arrangement only for a limited period. For example, a number of establishments added a second shift with a 4-day week during a peak production period. Once production levelled off again, the second shift was discontinued.

The "other" category involving employer problems includes such factors as supervisory problems, problems getting employees to work overtime and internal servicing problems. The "other" category related to employee problems covers situations such as the union deciding against the schedule, employees rejecting the schedule after the trial but the reasons were unclear, and employees rejecting the schedule because of overtime work scheduled on their extra days off.

The employers were asked whether they would ever use a compressed schedule again. Almost 60 per cent of the 85 establishments reported that they would consider readoption of the schedules, but only after more planning than had previously taken place. Thirteen of these establishments indicated that they were in fact investigating the feasibility of re-implementing a compressed arrangement.

3.2 Flexible Work Schedules

As of December 1974, 10 of the 114 establishments known to have introduced some form of flexible work schedule reported that they had reverted back to a conventional schedule. Two of the 10 establishments had been operating flexible working hours, while the remainder had been on flexible starting times. Together these 10 establishments had 1,100 employees working on the arrangements before they were discontinued.

Eight of the 10 establishments reported that the major reason for discontinuance was related to the problem of

not having staff available when needed. In 3 instances this related to the servicing of various client groups, while in the 5 remaining cases it had to do with either communications problems or internal servicing problems. In the 2 remaining establishments, it was reported that the flexible schedule was dropped because of employee "abuses" of the system. In both cases there was disagreement between the employees and management over the way the system was being administered.

Six of the ten establishments that dropped flexible work schedules indicated that they might consider re-implementing the schedule, but only after much more careful planning.

STAGGERED HOURS ARRANGEMENTS

This report also covers 93 establishments known to have converted to some form of "staggered hours" often as a result of the Provincial government's support of the concept.¹ This includes 16 establishments (Ministries and government agencies) in Toronto involved in the Ontario government's "Staggered Hours Demonstration Project", as well as 77 establishments involved in the "Toronto Variable Work Hours Project".²

4.1 Active Schedules

As of December 1974, 83 establishments were known to have active staggered hours arrangements in Toronto. Together these establishments had 37,500 employees working on the arrangement, 75 per cent of whom worked in "office" jobs. Two-thirds

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- 1 On November 22, 1972, in a statement entitled "An Urban Transportation Policy", Premier William Davis announced that the province was prepared to provide substantial financial assistance to municipalities wishing to study and implement variable work hour projects to reduce rush hour congestion. "Effective December 1, 1972, the province will pay 75 per cent of the cost of such studies". Furthermore, the Province was prepared to set an example by staggering the hours of its own employees.
 - 2 As of December 1974, the Toronto Variable Work Hours Project had concentrated on the downtown core of the city of Toronto. It should be noted that the Ottawa-Carleton Transit Authority has been encouraging the staggering of working hours in co-operation with the Federal government. Both Hamilton and London have expressed interest in implementing a Variable Work Hours Project, but had not recorded any conversions to staggered hours at the time of the study.

of the establishments were in finance and insurance and in manufacturing industries.

The most important advantage of the staggered hours arrangement was reported to be improved employee morale resulting from the improved commuting arrangements (i.e., decreased travel time and more convenient commuting arrangements) and a better match between work and family/social life. Some establishments also found that absenteeism and lateness had decreased with the implementation of a staggered hours schedule.

With respect to disadvantages, the major ones reported related to the problem of not having staff present when they were needed. As with flexible hours, this was viewed by most establishments as something that could be worked out as everyone adjusted to the new arrangement.

4.2 Discontinued Schedules

As of December 1974, 10 of the 93 establishments known to have implemented staggered working hours in downtown Toronto reported that they had dropped the arrangement. However, 6 of these establishments replaced the staggered hours arrangement with a flexible work schedule. In the 4 remaining cases, the firms reverted to a fixed 5-day work week.

The 6 establishments that converted to flexible work schedules reported that they dropped the staggered hours arrangement, not so much because it was unsatisfactory, but because the flexible arrangement appeared to be more beneficial for both the firm and the employees. In each of the 4 establishments that reverted to a normal 5-day week, the reason for discontinuing the staggered hour arrangement related to the problem of not having staff available when needed. However, two of these firms indicated that, if requested by the employees, they would reconsider a staggered or flexible hours system.

GENERAL OBSERVATIONS

Although this paper focuses on the compressed, flexible and staggered working time arrangements, it must be kept in mind that a very small minority of Ontario's employed labour force has these kinds of schedules. Most workers remain on the more traditional types of schedules.

Some observers feel that the innovative arrangements, particularly compressed and flexible schedules, are in competition with each other; that one will ultimately win out over the other. On the basis of the findings of the present study, this

tendency does not seem likely. The numbers of employees on all three types of arrangements have grown during the past few years. Although a considerable number of compressed schedules have been dropped, most have not been replaced by either flexible or staggered hours arrangements.

In Metropolitan Toronto alone, more employees work staggered hours than the combined total identified as being on compressed and flexible schedules in Ontario. The growth of staggered hours arrangements has largely resulted from encouragement to deal with transportation problems and the fact that it is relatively easy to convert to and operate the system in an office setting. The question which remains to be answered is whether implementation of staggered hours is really a first step in providing employees with greater flexibility in scheduling their working time.

Flexible work schedules are almost exclusively found in office environments. They permit better coverage of the generally recognized 5-day business week than do compressed schedules and tend to be more acceptable to many employees in meeting their day-to-day personal needs and responsibilities. The latter factor seems to be particularly important because of the concentrations of female workers in office occupations. Implementation of flexible schedules appears to have been approached somewhat cautiously since the majority of the employees have the more restrictive arrangements based on flexible starting times.

Compressed schedules have generally been introduced on a more selective basis in establishments (that is, applying to specified work units only) than either of the other two kinds of arrangements. Part of the reason may be that compressed schemes are frequently implemented as a means of alleviating internal production-related problems arising in particular areas or specific employee dissatisfactions.

The large majority of employees working compressed schedules fall into non-office categories. These arrangements are regarded as being more appropriate in non-office work than the other innovative schedules. The nature of many non-office functions is based on definite time frame requirements (security guards and continuous operations, for example) which would be difficult to accommodate under flexible or staggered hours schedules. In other instances, implementation of the latter two arrangements would need substantial re-organization of work procedures or plant lay-out.

Since the last survey early in 1973, there has only been a small increase in numbers of employees working a 4-day week. The more significant increase has been in conversions to

other type of compressed schedules, particularly among employees working in continuous operations. Case studies carried out by the Research Branch of the Ministry of Labour have indicated that, compared with their previous irregular schedules, employees in continuous operations often prefer the distribution of working and non-working time obtained under compressed arrangements.

In summary, the information suggests that, for the moment at least, each of the types of innovative work schedules has found a place in Ontario. Selection is usually based on the unique features of each one in relation to the reasons for changing arrangements and the characteristics of the employees, work and work environment.



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